



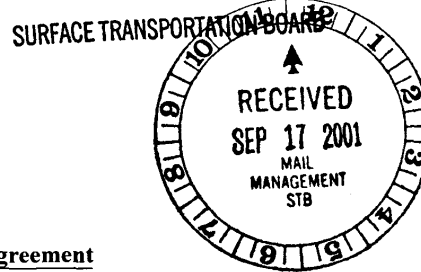
First Union Rail Corporation  
One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, IL 60018-4214  
Tel 847 318-7575  
Fax 847 318-7588

September 14, 2001

RECORDATION NO. 22846-E FILED

SEP 18 '01 11:16 AM

VIA UPS NEXT DAY AIR



Mr. Vernon E. Williams  
Surface Transportation Board  
1925 K Street, N.W., Room 704  
Washington, DC 20423-0001  
Attn: Recordation of Railroad Equipment

**Re: Memorandum of Lease Agreement**

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated August 15, 2001, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation number 22846.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation  
One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Lessee: Albany and Eastern Railroad Company  
875 NE Waverly Drive, Suite A  
Albany, OR 97321

A description of the railroad equipment covered by the enclosed document is nineteen (19) 71' centerbeam flat cars, with car numbers NOKL 729001-729119, non-inclusive.

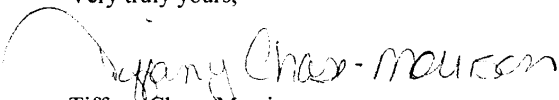
A short summary of the document to appear in the index follows:

Memorandum of Lease between First Union Rail Corporation, Lessor and Albany and Eastern Railroad Company, Lessee, covering 19 71' centerbeam flat cars with car numbers NOKL 729001-729119, non-inclusive.

Also enclosed is a check in the amount of \$28.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

  
Tiffany Chase-Morrison  
Manager of Documentation

Enclosures

(AERC014)

ASSGN. NO.: AERC014

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 15<sup>th</sup> day of August, 2001, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Albany & Eastern Railroad Company ("Lessee"), an Oregon corporation.

**WITNESSETH:**

The undersigned Lessor and Lessee have entered into that certain Master Lease Agreement (the "Lease"), dated as of April 7, 1999, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 14 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of June 14, 2001, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

**LESSOR:**

**FIRST UNION RAIL CORPORATION**

ATTEST:

By: K. A. Dombrowski  
Name: K. A. DOMBROWSKI  
Title: DIRECTOR OF DOCUMENTATION  
Executed on this 15<sup>th</sup> day of August, 2001.

By: Richard F. Seymour  
Name: RICHARD F. SEYMOUR  
Title: Vice President Sales & Marketing

[CORPORATE SEAL]

STATE OF Illinois

COUNTY OF De Kalb

I, Barbara A. Unger, a Notary Public of the County and State aforesaid, certify that Richard F. Seymour personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

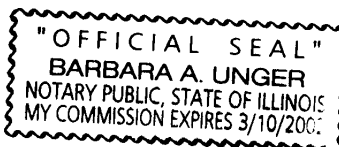
WITNESS my hand and official stamp or seal, this 15<sup>th</sup> day of August, 2001.

Barbara A. Unger  
Notary Public

My Commission Expires:

3/10/2002  
(Notary Public)

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SURFACE TRANSPORTATION BOARD

LESSEE:

ALBANY & EASTERN RAILROAD COMPANY

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: Mike Root  
Name: MIKE ROOT  
Title: PRESIDENT

Executed on this 6<sup>th</sup> day of August, 2001.

[CORPORATE SEAL]

STATE OF Oregon  
COUNTY OF Linn

I, Tamra L. Boyes, a Notary Public of the County and State aforesaid,  
certify that Mike Root personally appeared before me this day and acknowledged  
his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 6<sup>th</sup> day of August, 2001.



My Commission Expires:

January 3, 2005  
(Notary Public)

Tamra L. Boyes  
Notary Public

**EXHIBIT A**  
**to**  
**MEMORANDUM OF LEASE**

NUMBER OF CARS:           Nineteen (19)

DESCRIPTION OF CARS:    71' Centerbeam Flat Cars, 286,000 lb. capacity

CAR NUMBERS:            See below:

NOKL 729001  
NOKL 729006  
NOKL 729008  
NOKL 729010  
NOKL 729011  
NOKL 729034  
NOKL 729038  
NOKL 729043  
NOKL 729053  
NOKL 729054  
NOKL 729075  
NOKL 729078  
NOKL 729079  
NOKL 729082  
NOKL 729090  
NOKL 729092  
NOKL 729111  
NOKL 729117  
NOKL 729119  
Count:       19